

110TH CONGRESS
2D SESSION

H. R. 6450

To establish a revolving loan fund to provide loans to States and Indian tribes to provide incentives to undertake activities to provide renewable energy sources for housing and other structures.

IN THE HOUSE OF REPRESENTATIVES

JULY 9, 2008

Mr. HODES (for himself and Mr. PERLMUTTER) introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To establish a revolving loan fund to provide loans to States and Indian tribes to provide incentives to undertake activities to provide renewable energy sources for housing and other structures.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Energy Conservation
5 Opportunity Fund Act of 2008” or the “ECO Fund Act
6 of 2008”.

1 **SEC. 2. REVOLVING FUND FOR LOANS TO STATES AND IN-**
2 **DIAN TRIBES TO CARRY OUT RENEWABLE EN-**
3 **ERGY SOURCES ACTIVITIES.**

4 (a) ESTABLISHMENT OF FUND.—There is estab-
5 lished in the Treasury of the United States a revolving
6 fund, to be known as the “Alternative Energy Sources
7 State Revolving Fund”.

8 (b) CREDITS.—The Fund shall be credited with—

9 (1) any amounts appropriated to the Fund pur-
10 suant to subsection (g);

11 (2) any amounts of principal and interest from
12 loan repayments received by the Secretary pursuant
13 to subsection (d)(7); and

14 (3) any interest earned on investments of
15 amounts in the Fund pursuant to subsection (e).

16 (c) EXPENDITURES.—

17 (1) IN GENERAL.—Subject to paragraph (2), on
18 request by the Secretary of Housing and Urban De-
19 velopment, the Secretary of the Treasury shall
20 transfer from the Fund to the Secretary such
21 amounts as the Secretary determines are necessary
22 to provide loans under subsection (d)(1).

23 (2) ADMINISTRATIVE EXPENSES.—Of the
24 amounts in the Fund, not more than 5 percent shall
25 be available for each fiscal year to pay the adminis-

trative expenses of the Department of Housing and Urban Development to carry out this section.

(d) LOANS TO STATES AND INDIAN TRIBES.—

(1) IN GENERAL.—The Secretary shall use amounts in the Fund to provide loans to States and Indian tribes to provide incentives to owners of single-family and multifamily housing, commercial properties, and public buildings to provide—

(A) renewable energy sources for such structures, such as wind, wave, solar, biomass, or geothermal energy sources, including incentives to companies and business to change their source of energy to such renewable energy sources and for changing the sources of energy for public buildings to such renewable energy sources;

(B) energy efficiency and energy conserving improvements and features for such structures; or

(C) infrastructure related to the delivery of electricity and hot water for structures lacking such amenities.

(2) ELIGIBILITY.—To be eligible to receive a loan under this subsection, a State or Indian tribe, through an appropriate State or tribal agency, shall

1 submit to the Secretary an application at such time,
2 in such manner, and containing such information as
3 the Secretary may require.

4 (3) CRITERIA FOR APPROVAL.—The Secretary
5 may approve an application of a State or Indian
6 tribe under paragraph (2) only if the Secretary de-
7 termines that the State or tribe will use the funds
8 from the loan under this subsection to carry out a
9 program to provide incentives described in para-
10 graph (1) that—

11 (A) requires that any such renewable en-
12 ergy sources, and energy efficiency and energy
13 conserving improvements and features, devel-
14 oped pursuant to assistance under the program
15 result in compliance of the structure so im-
16 proved with the energy efficiency requirements
17 under section 2(a) of the; and

18 (B) includes such compliance and audit re-
19 quirements as the Secretary determines are nec-
20 essary to ensure that the program is operated
21 in a sound and effective manner.

22 (4) PREFERENCE.—In making loans during
23 each fiscal year, the Secretary shall give preference
24 to States and Indian tribes that have not previously
25 received a loan under this subsection.

1 (5) MAXIMUM AMOUNT.—The aggregate out-
2 standing principal amount from loans under this
3 subsection to any single State or Indian tribe may
4 not exceed \$500,000,000.

5 (6) LOAN TERMS.—Each loan under this sub-
6 section shall have a term to maturity of not more
7 than 10 years and shall bear interest at annual rate,
8 determined by the Secretary, that shall not exceed
9 interest rate charged by the Federal Reserve Bank
10 of New York to commercial banks and other deposi-
11 tory institutions for very short-term loans under the
12 primary credit program, as most recently published
13 in the Federal Reserve Statistical Release on se-
14 lected interest rates (daily or weekly), and commonly
15 referred to as the H.15 release, preceding the date
16 of a determination for purposes of applying this
17 paragraph.

18 (7) LOAN REPAYMENT.—The Secretary shall
19 require full repayment of each loan made under this
20 section.

21 (e) INVESTMENT OF AMOUNTS.—

22 (1) IN GENERAL.—The Secretary of the Treas-
23 ury shall invest such amounts in the Fund that are
24 not, in the judgment of the Secretary of the Treas-
25 ury, required to meet needs for current withdrawals.

1 (2) OBLIGATIONS OF UNITED STATES.—Invest-
2 ments may be made only in interest-bearing obliga-
3 tions of the United States.

4 (f) REPORTS.—

5 (1) REPORTS TO SECRETARY.—For each year
6 during the term of a loan made under subsection
7 (d), the State or Indian tribe that received the loan
8 shall submit to the Secretary a report describing the
9 State or tribal alternative energy sources program
10 for which the loan was made and the activities con-
11 ducted under the program using the loan funds dur-
12 ing that year.

13 (2) REPORT TO CONGRESS.—Not later than
14 September 30 of each year that loans made under
15 subsection (d) are outstanding, the Secretary shall
16 submit a report to the Congress describing the total
17 amount of such loans provided under subsection (d)
18 to each eligible State and Indian tribe during the fis-
19 cal year ending on such date, and an evaluation on
20 effectiveness of the Fund.

21 (g) AUTHORIZATION OF APPROPRIATIONS.—There is
22 authorized to be appropriated to the Fund
23 \$5,000,000,000.

24 (h) DEFINITIONS.—For purposes of this section, the
25 following definitions shall apply:

1 (1) INDIAN TRIBE.—The term “Indian tribe”
2 has the meaning given such term in section 4 of the
3 Native American Housing Assistance and Self-De-
4 termination Act of 1996 (25 U.S.C. 4103).

5 (2) SECRETARY.—The term “Secretary” means
6 the Secretary of Housing and Urban Development.

7 (3) STATE.—The term “State” means each of
8 the several States, the Commonwealth of Puerto
9 Rico, the District of Columbia, the Commonwealth
10 of the Northern Mariana Islands, Guam, the Virgin
11 Islands, American Samoa, the Trust Territories of
12 the Pacific, or any other possession of the United
13 States.

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